



Projects in Profile

A Snapshot of Rental Projects under the
Canada-Ontario Affordable Housing Program

Fall • 2008

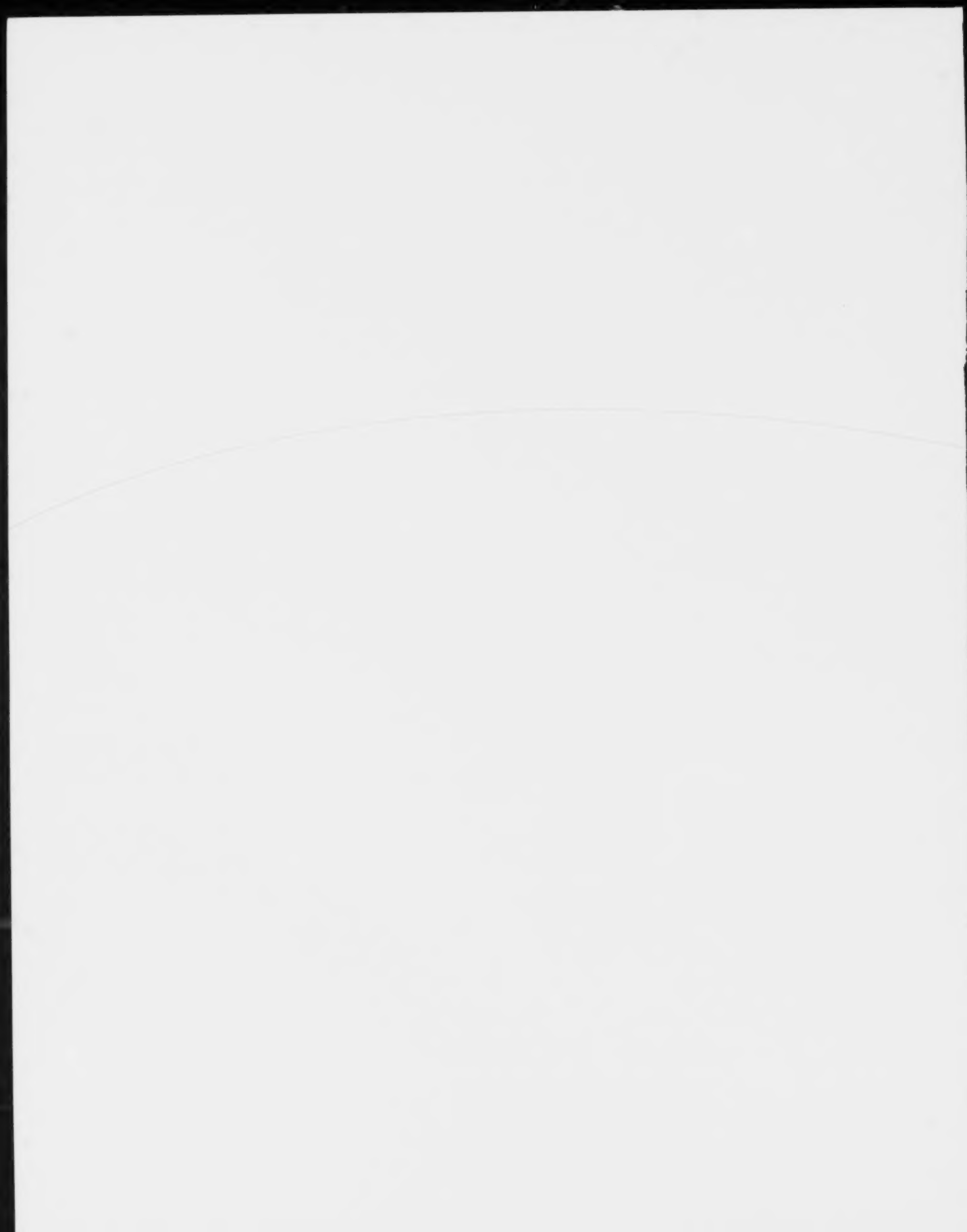


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EXECUTIVE SUMMARY

CANADA-ONTARIO AFFORDABLE HOUSING PROGRAM

A key part of Ontario's investment in affordable housing is the Canada-Ontario Affordable Housing Program (AHP). The objectives of the AHP are to assist households in need to access affordable housing and reduce social housing waiting lists across the province. The province works with the federal government and municipalities to achieve these objectives through the AHP.

The Canada-Ontario Affordable Housing Program Agreement comprises a commitment of \$301 million from each of the two senior levels of government. In total, the federal, provincial and municipal governments have invested at least \$734 million in the program, which will provide affordable housing for up to 20,000 households in Ontario by the end of the program.

The AHP is based on a partnership between government and housing providers. The federal and provincial governments provide equity contributions and set the overall AHP framework. Service Managers (SMs) are responsible for procuring, delivering and administering the AHP. They also provide equity contributions (e.g. grants, development charge waivers) or operating assistance (e.g. waived or lowered property tax) to affordable housing projects. Project proponents (municipalities, municipal non-profits, private for-profits and private non-profits and co-ops) build, own, operate and finance the housing units.

AHP RENTAL AND SUPPORTIVE PROJECTS

Projects in Profile provides a snapshot of rental and supportive projects, consisting of 9,440 units that have funding approvals in place. The report focuses on rent levels, unit sizes, target tenants and proponent types.

Some highlights are:

- 38 SMs are participating in the Rental and Supportive component of the AHP. To date, all 38 SMs have approved projects.
- As of July 31, 2008, 260 projects (9,440 units) are approved for funding. Of these:
 - 46 per cent have been completed/occupied (4,318 units);
 - 19 per cent are under construction (1,789 units);
 - 35 per cent are in planning approvals¹ (3,333 units).

AHP NORTHERN COMPONENT

The Northern component of the AHP directly assists low and moderate-income families by reversing the loss of affordable housing stock in Northern Ontario, and aiding in the revitalization of Ontario's Northern communities. As of July 31, 2008, 968 Northern units have been approved.

¹ "Planning approvals" in this report refers to projects/units that are in different stages of the planning or pre-construction process. They have received conditional letters of commitment (CLCs) from the minister confirming AHP support for the project.

AHP HOMEOWNERSHIP COMPONENT

Under the Homeownership component of AHP, lower-income renters can apply for interest-free down-payment assistance loans to purchase a home. SMs have been allocated a specific amount of funding to assist low to moderate-income rental households to purchase affordable homes. As of July 31, 2008, 1,366 homeownership units have been approved.

AHP HOUSING ALLOWANCE/RENT SUPPLEMENT PROGRAM

The AHP Housing Allowance/ Rent Supplement (HARS) Program helps create affordable rental housing in rental markets with high vacancy. A "housing allowance" is a supplement paid to the landlord on behalf of households in need of rental assistance. It is intended to help bridge the difference between the rent a household can afford to pay and the actual market rent. There are currently 3,808 HARS units with signed landlord agreements.

CONTEXT OF PROJECTS IN PROFILE

Projects in Profile is based on data collected as of July 31, 2008 and focuses on projects developed under the capital (i.e. Rental and Supportive, Homeownership and Northern) components and operational (i.e. Housing Allowance/Rent Supplement) components of the AHP.

Participation in the Rental and Supportive component is limited to Southern SM areas, with the exception of six projects in the Northeastern Region submitted under Strong Start and New AHP. Northern service areas are funded under the Northern Component of the AHP.

Of the 260 Rental and Supportive projects included in this report, 32 per cent were developed under the pilot phase of the AHP. In April 2005 a new funding agreement was signed, featuring enhanced program parameters and delivery methods to respond to SM feedback and experience gained throughout the pilot phase of the program.

The most significant enhancement resulting from the 2005 agreement is the provincial 20-year affordability payment. Under the current AHP, the provincial portion of the AHP funding contribution increased from 14 per cent to 62 per cent. The introduction of the monthly affordability payment over a 20-year period ensures that projects remain affordable throughout the life of the program.

The AHP is expected to create at least 1,200 supportive units province-wide by the end of the program. Supportive units are specifically designated for three priority groups: victims of domestic violence (VDV) (500 units), persons living with mental illness (600 units) and individuals with a dual diagnosis (i.e. individuals with a developmental disability and emotional, behavioural or psychiatric difficulties) (100 units). SMs are responsible for coordinating with regional offices of the Ministry of Community and Social Services (MCSS) and the Ministry of Health and Long-Term Care (MOHLTC) to ensure tenants of supportive units have access to the appropriate support services offered by local organizations.

Rent levels reported in Projects in Profile are based on estimates provided by Project Information Forms (PIFs) submitted by project proponents.

For further information about this report, please contact the Ministry of Municipal Affairs and Housing (MMAH), Housing Programs Branch, at 416-585-6468.

INTRODUCTION

AFFORDABLE HOUSING IN ONTARIO – AN OVERVIEW

The Government of Ontario is committed to ensuring that all Ontarians have access to safe and affordable housing. Ontario's affordable housing initiatives include a complement of programs designed to fund and support the creation of new affordable housing units, provide housing allowances/rent supplements to households in immediate need and provide affordable homeownership opportunities to low and moderate-income households. Legislation to ensure fairer rent increases and promote investment in rental housing also came into effect in January 2007.

Ontario's key recent investments in affordable housing include:

- The Canada-Ontario Affordable Housing Program (AHP)
- The Provincial Rent Bank Program
- The Strong Communities Rent Supplement Program (SCRSP)
- The *Residential Tenancies Act, 2006* (RTA)
- Delivering Opportunities for Ontario Renters (DOOR)
- Rental Opportunity for Ontario Families (ROOF).

In addition to these ongoing programs, the government is providing \$100 million in 2007-08 to rehabilitate existing social housing, including energy-efficiency improvements. Key public-sector social housing providers will also be able to access up to \$500 million in low-cost loans through Ontario Strategic Infrastructure Financing Authority (OSIFA).

To ensure that Ontario's affordable housing stock is well-run and well-managed, the Social Housing Services Corporation (SHSC) will receive \$1 million to establish a resource centre for social housing providers, including co-op providers.

Strong Communities Rent Supplements Program (SCRSP)

The SCRSP provides municipalities with a long-term funding commitment of \$50 million annually for 20 years – \$1 billion – to provide rent supplement assistance to low-income households across Ontario. As of December 31, 2007, 6,933 households are receiving rent supplements. Of these, 1,170 rent supplements are allocated to violence against women (VAW), individuals dealing with substance abuse /mental illness issues and those with developmental disabilities living in supportive units.

Provincial Rent Bank Program

The Provincial Rent Bank Program has provided \$23.8 million since its launch in 2004 to provide immediate assistance to low-income households that are in short-term arrears and facing eviction due to an emergency or other unforeseen circumstance. This funding has helped to prevent more than 14,300 households from being evicted due to a missed rent payment.

Residential Tenancies Act, 2006

The *Residential Tenancies Act, 2006* (RTA) was proclaimed and came into force on January 31, 2007. This new legislation gives tenants more protection while keeping Ontario's rental housing market strong.

The 2009 rent increase guideline is 1.8 per cent. This is one of the lowest rate increases in recent history.

Delivering Opportunities for Ontario Renters (DOOR)

Under the DOOR program, the province provided municipalities with \$127 million to create new affordable housing or rehabilitate existing housing. SMs have the flexibility to apply this funding based on local needs.

Rental Opportunity for Ontario Families (ROOF)

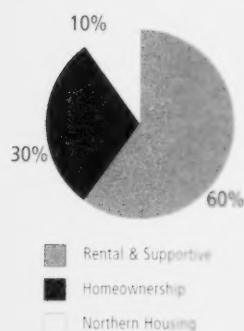
This housing allowance program invests \$185 million to provide assistance to 27,350 working families paying more than 30 per cent of their income towards rent. The program is designed to support low-income working families who have at least one child under the age of 18. Families participating in the program receive immediate relief by reducing the amount of household income spent on rent to free-up \$100 per month for other family expenses such as food and clothing. This program brings the total number of housing allowances funded by the Government of Ontario to 35,000.

TIMELINE OF HOUSING DEVELOPMENT IN ONTARIO

To assess the progress to date under the AHP, it is useful to reflect on some key milestones:

- 1950s: Limited amount of public housing funded by federal, provincial and municipal governments
- 1960s to mid 1970s: Ontario Housing Corporation (OHC) develops public housing, which is cost-shared with federal government
- Mid 1970s to mid 1980s: Federal government, through Canada Mortgage and Housing Corporation (CMHC), provides social housing funding to the non-profit sector to allow the development of social housing
- 1986 to 1995: Provincial and federal governments provide funding to develop non-profit and co-operative social housing projects
- By 1995: Both federal and provincial governments stop developing new social housing
- By 2001: Funding and administration of social housing is transferred to municipal Service Managers
- 2002 - Present: Canada-Ontario Affordable Housing Program (AHP)
 - May 2002 - Canada-Ontario Affordable Housing Program Agreement signed. Pilot phase of AHP launched
 - April 2005 - New Affordable Housing Program Agreement signed. Under the new agreement, the provincial contribution increased from approximately \$4,000 per unit to approximately \$43,400 per unit, payable through the 20-year provincial affordability payment.
- 2004: Province commits long-term funding of \$50 million per year to Strong Communities Rent Supplement Program (SCRSP)
- 2006: Housing Allowance/Rent Supplement Program (HARS) component of the AHP launched, providing greater affordability of existing rental units

PERCENTAGE BREAKDOWN
OF AHP UNIT TARGETS
BY PROGRAM COMPONENT



- 2007: Rental Opportunity for Ontario Families (ROOF) and Delivering Opportunities for Ontario Renters (DOOR) programs announced for housing allowance and housing capital funding respectively
- 2008: Province commits \$100 million to rehabilitate existing social housing, including energy-efficiency improvements.

CANADA-ONTARIO AFFORDABLE HOUSING – PROGRAM OVERVIEW

The AHP is a key component of Ontario's affordable housing initiative. The following information provides a description of the three capital AHP components: Rental and Supportive, Homeownership and Northern. The AHP will fund approximately 15,000 units of new affordable housing by the end of the program.

The **Rental and Supportive component** of the AHP focuses on the creation of new affordable housing stock, primarily in the Southern Ontario regions.

The largest portion of the 15,000 capital unit target will be achieved through this component, with a target of 9,000 units. Based on progress to date, it is expected that the number of units funded under the Rental and Supportive component will exceed the target by at least 1,050 units.

The **Homeownership component** is designed to offer down-payment assistance to approximately 3,775 low or moderate-income households.

The **Northern component** of the AHP offers Northern SMs flexibility to support the rehabilitation of approximately 1,500 units of existing stock through homeownership repairs or the rehabilitation or new construction of affordable housing in areas where demand for new stock is high.

Phases of the AHP

The AHP was implemented in three phases. The first phase, or **Pilot Phase**, was launched following the signing of the original AHP 2002 agreement. The program parameters for this phase were different than those now falling under the 2005 AHP Agreement.

With the signing of the new agreement in 2005, SMs were able to recommend projects for funding under Strong Start. **Strong Start** was designed to fast track the development of construction-ready projects.

In the summer of 2006, all participating SMs began to develop and implement AHP housing delivery plans, issue Requests for Proposals (RFPs) and select projects for the balance of the new AHP allocations under the **New AHP**.

PROGRESS TO DATE - AHP Rental and Supportive Component

The initial unit target for the Rental and Supportive component was 9,000 units. Based on the success of the Pilot projects—and SMs exceeding unit targets within their existing funding allocations—the total unit forecast increased to 10,099 units by March 31, 2010.

As of July 31, 2008, based on the 9,000 Rental and Supportive unit target:

- 105 per cent (9,440 units) of the AHP Rental and Supportive Units have been approved
- 45.7 per cent of the 9,440 approved units are completed and occupied
- Total forecasted units has increased 12 per cent from the original target of 9,000 units

Rental and Supportive	Target Units	Progress to Date		Residual Units	Total Forecast Units
		Units Approved	Balance of SM Allocation		
	9,000	9,440	659	0	10,099

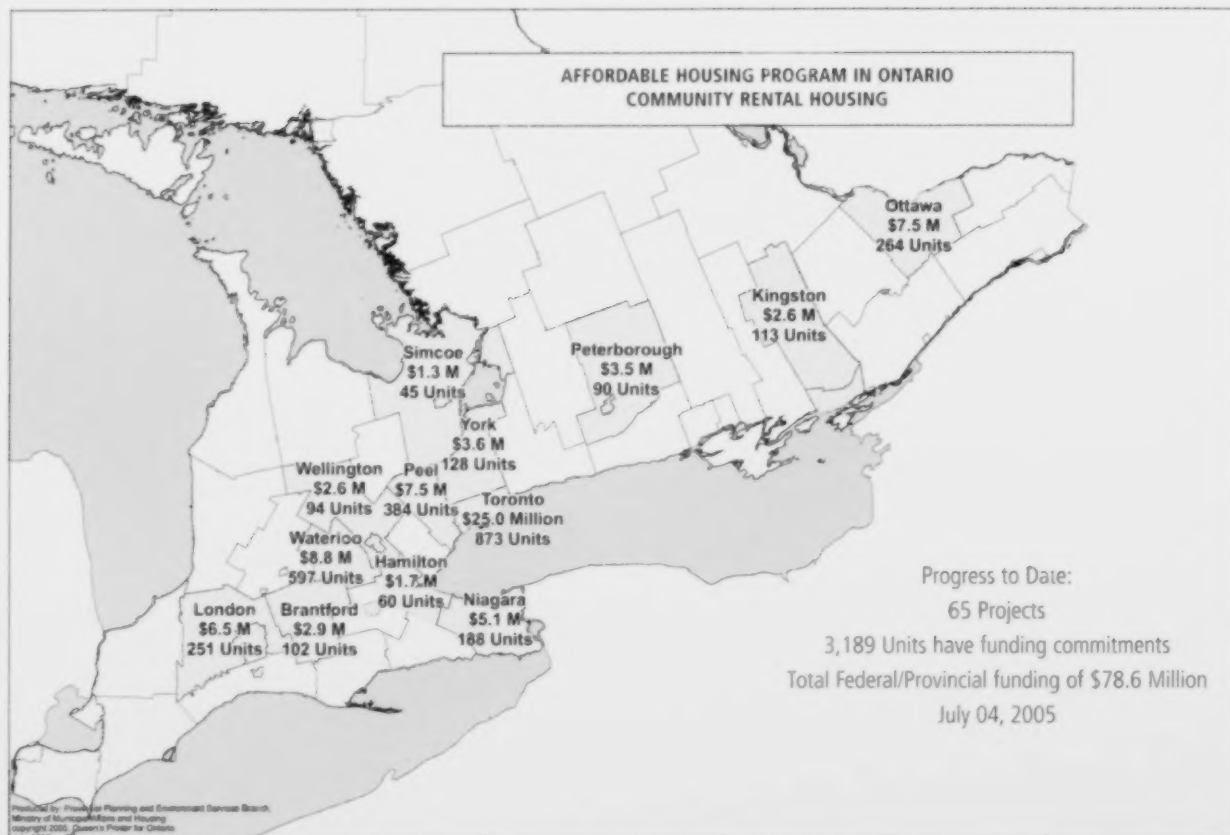
YEAR BY YEAR COMPARISON

Eighty-four projects, with 4,293 units were developed under the Pilot phase of the AHP. Activity under this phase of the AHP is primarily illustrated by activity in 2004-05 and in 2005-06.

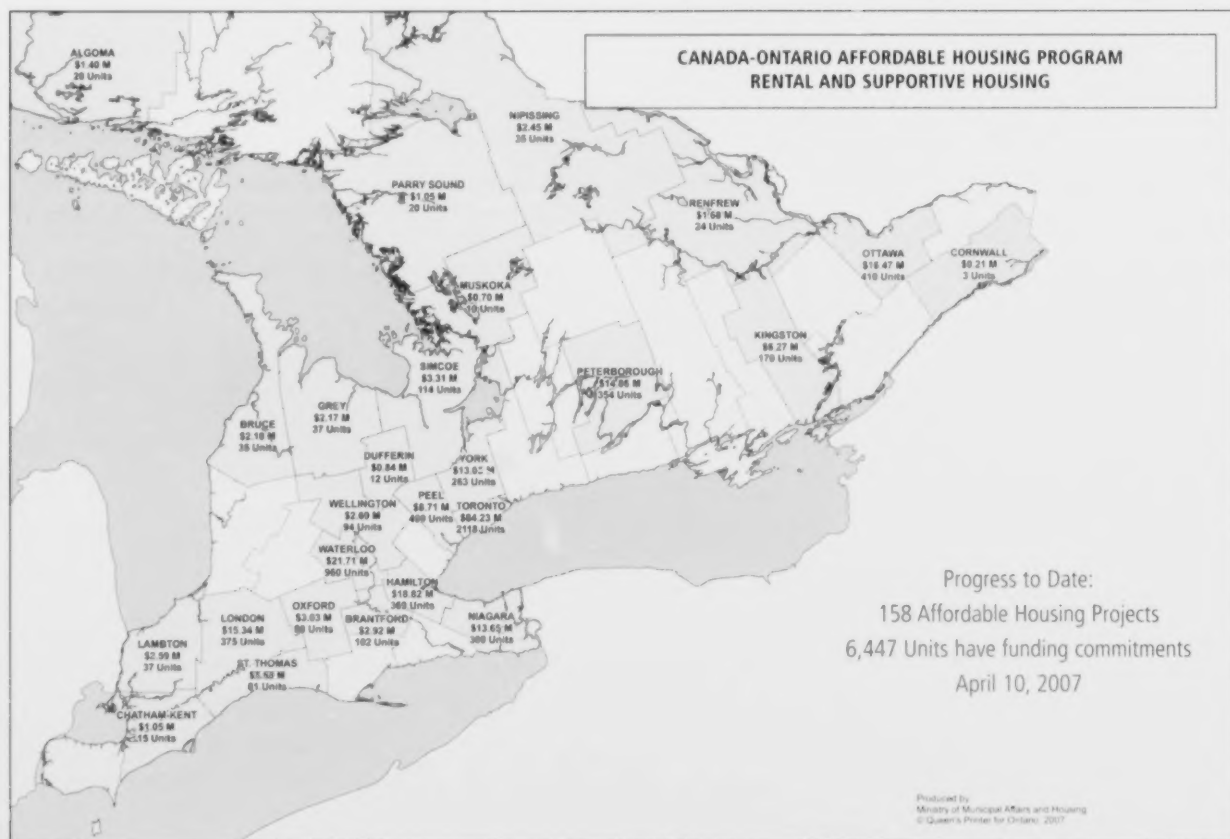
Following the signing of the New AHP in April 2005, a number of ready-to-go projects were approved under the Strong Start phase. At this time, activity significantly increased.

By the end of summer 2006, SMs submitted council approved housing delivery plans, outlining implementation strategies for each of the AHP program components. SMs began to select projects for the balance of their Rental and Supportive allocations.

RENTAL AND SUPPORTIVE PROJECTS - JULY 2005



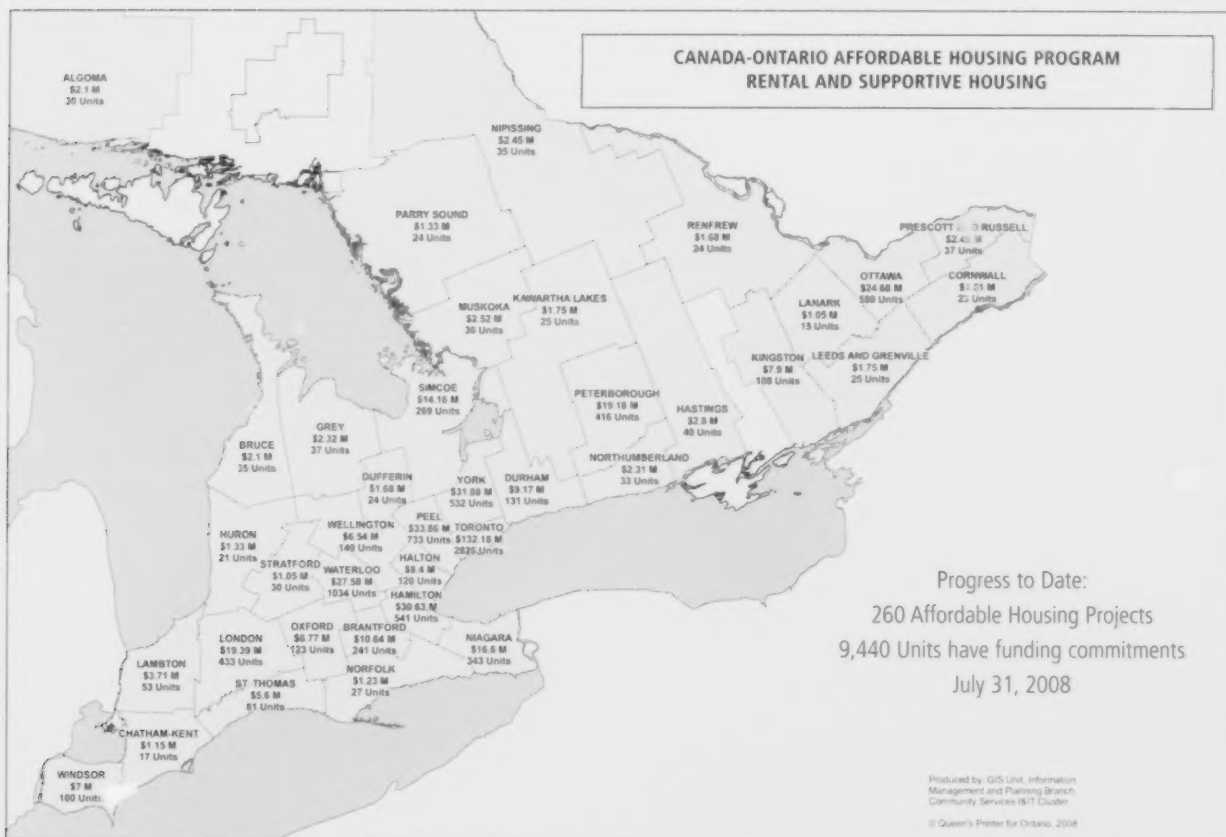
RENTAL AND SUPPORTIVE PROJECTS - APRIL 2007



2008 PROGRESS TO DATE - AHP RENTAL AND SUPPORTIVE COMPONENT

RENTAL AND SUPPORTIVE PROJECTS - JULY 2008

By July 31, 2008, the original target of 9,000 units had been exceeded due to SMs over performing and exceeding unit targets with their funding allocations. The majority of Strong Start units have been completed and occupied. Most SMs have fully committed their allocations.



Service Manager Participation

38 SMs are delivering the Rental and Supportive component. To date, all 38 SMs have approved projects underway.

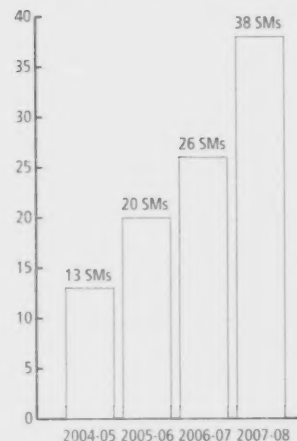
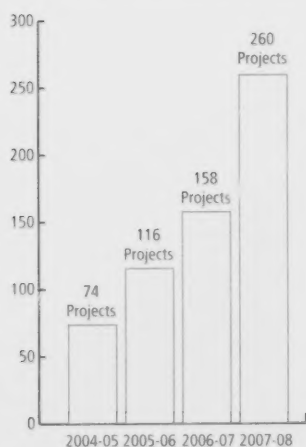
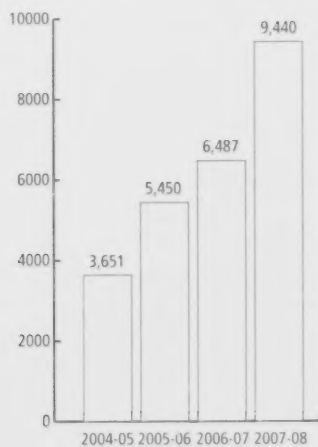
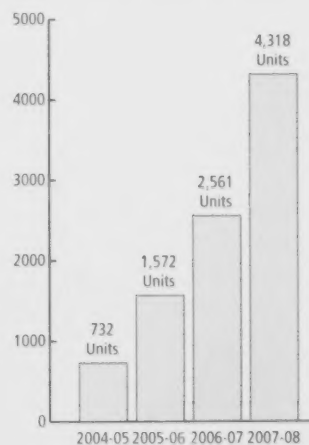
Number of Approved Projects and Units

Between 2004-05 and 2007-08 the number of approved projects rose considerably, increasing from 74 projects to 260 projects.

84 of the 260 approved projects were submitted under the Pilot phase, with the balance approved under the new AHP.

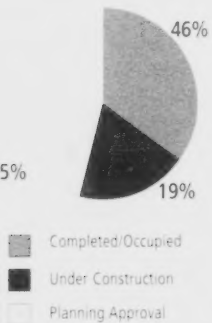
Occupied Units

Each year the number of completed and occupied units increases by approximately 100 per cent. As of July 31, 2008, 45.7 per cent (4,318 units) of approved projects are occupied.

AHP RENTAL & SUPPORTIVE SERVICE MANAGER (SM) PARTICIPATION**AHP RENTAL & SUPPORTIVE NUMBER OF PROJECTS APPROVED****AHP RENTAL & SUPPORTIVE NUMBER OF UNITS APPROVED****AHP RENTAL & SUPPORTIVE NUMBER OF UNITS OCCUPIED**

RENTAL AND SUPPORTIVE PROGRAM - APPROVED UNITS BY REGION

PERCENTAGE BREAKDOWN
OF AHP UNITS BY
DEVELOPMENT STATUS



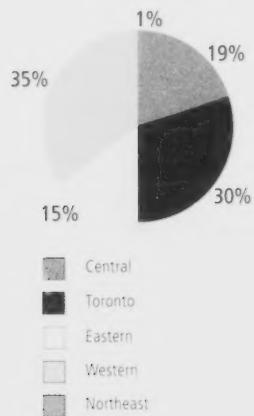
Development Status of Approved Units

As of July 31, 2008, of 9,440 approved units, 4,318 units are complete and/or occupied, 1,789 are under construction and 3,333 are in planning approvals. 659 units are still to be approved.

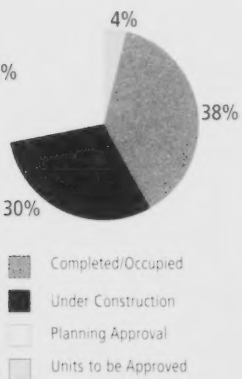
Regional Breakdown

There are 47 Service Managers.

APPROVED RENTAL
AND SUPPORTIVE UNITS BY
ONTARIO REGION



PERCENTAGE BREAKDOWN OF
R&S UNITS BY DEVELOPMENT
STATUS - TORONTO



City of Toronto

As of July 31, 2008, the City of Toronto has 1,132 occupied units, 871 units under construction and 823 units in planning approval. Toronto has a total of 2,826 approved units.

Central Region

The following SMs are in the Central Region:

- County of Simcoe
- District Municipality of Muskoka
- Regional Municipality of Durham
- Regional Municipality of Halton
- Regional Municipality of Peel
- Regional Municipality of York

Central Region currently has 36 approved projects (1,821 units) with 145 units to be approved.

In the Central Region, most projects reported to date received funding under the Pilot phase of the AHP. Most SMs have fully committed their unit and fund allocations.

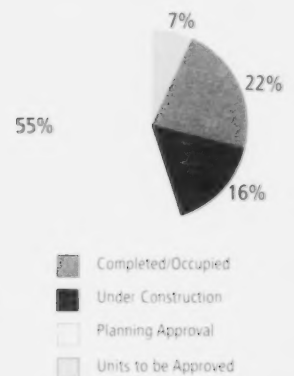
Eastern Region

The following SMs are in the Eastern Region:

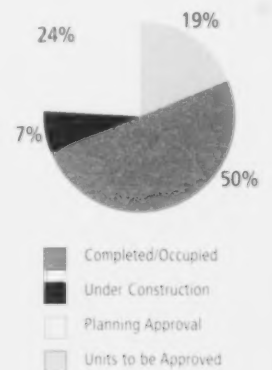
- City of Cornwall
- City of Kawartha Lakes
- City of Kingston
- City of Ottawa
- City of Peterborough
- County of Hastings
- County of Lanark
- County of Lennox & Addington
- County of Northumberland
- County of Renfrew
- United Counties of Leeds & Grenville
- United Counties of Prescott and Russell

Eastern Region participation in the Pilot phase of the AHP was focused and targeted on the high need areas of Kingston, Ottawa and Peterborough. One third of all eastern SMs actively participated in Strong Start. As of July 31, 2008, there are 50 projects (1,415 units) — in both urban and rural areas — that have been approved.

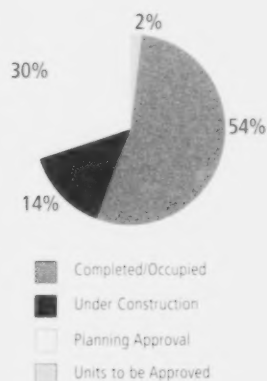
PERCENTAGE BREAKDOWN OF R&S UNIT TARGET BY DEVELOPMENT STATUS - CENTRAL REGION



PERCENTAGE BREAKDOWN OF R&S UNIT TARGET BY DEVELOPMENT STATUS - EASTERN REGION



PERCENTAGE BREAKDOWN
OF R&S UNIT TARGET BY
DEVELOPMENT STATUS -
WESTERN REGION



Western Region

The following SMs are in the Western Region:

- City of Brantford
- City of Hamilton
- City of London
- City of St. Thomas
- City of Stratford
- City of Windsor
- County of Bruce
- County of Dufferin
- County of Grey
- County of Huron
- County of Lambton
- County of Norfolk
- County of Oxford
- County of Wellington
- Municipality of Chatham-Kent
- Regional Municipality of Niagara
- Regional Municipality of Waterloo

To date, there are 135 approved projects (3,289 units) in the Western Region, representing the majority of total approved Rental and Supportive projects. A number of these projects have exceeded unit targets within existing funding allocations, contributing to the increase of the total AHP unit forecast.

The Western Region actively participated in the Pilot phase, submitting 41 projects. An additional 15 projects were approved under Strong Start. Many of the SMs in this region completed project selection for the balance of their new AHP Rental and Supportive allocations in early spring 2007. Only 80 units of the region's allocation remain to be approved by the province.

Northeastern Region

In Northern Ontario, communities are represented by District Social Services Administration Boards (DSSABs).

The following DSSABs and SMs are in the Northeastern Region:

- Algoma DSSAB
- City of Greater Sudbury
- Cochrane DSSAB
- Manitoulin-Sudbury DSSAB
- Nipissing DSSAB
- Parry Sound DSSAB
- Sault Ste Marie DSSAB
- Timiskaming DSSAB

Northern SMs participate in the AHP within the Northern component and also had the option to submit projects under Strong Start. Three SMs elected to participate in the Rental and Supportive program under Strong Start to support four development-ready projects (75 units). Of the 3 SMs that participated in the Strong Start, 2 have approved projects under the New AHP.

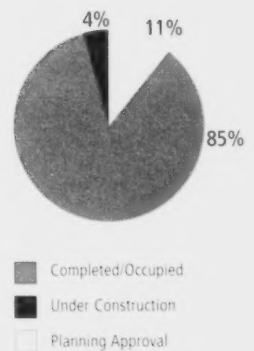
Northwestern Region

The following DSSABs are in the Northwestern Region:

- Kenora DSSAB
- Rainy River DSSAB
- Thunder Bay DSSAB

SMs in the Northwest Region received allocations and are developing projects under the Northern component of the AHP.

**PERCENTAGE BREAKDOWN OF R&S
UNIT TARGET BY DEVELOPMENT
STATUS - NORTHEASTERN REGION**



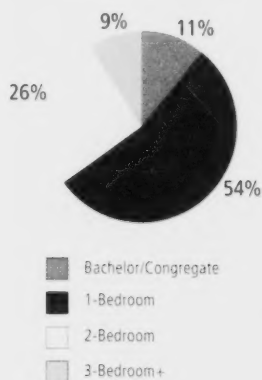
UNIT SIZE

The majority, or 54 per cent, of approved AHP units are one-bedroom units (5,113 units). Two-bedroom units represent 26 per cent of approved units to date (2,421 units). This pattern is consistent across all geographic regions.

Bachelor/Congregate units make up 11 per cent (1,047 units) of total units. Captured in this percentage are 361 single-bed units, otherwise known as dorm-style or congregate living. Within these projects, tenants get a single room but share kitchen and washroom facilities with other residents.

Three-bedroom plus units make up 9 per cent (859 units) of the total units approved. Within the three-bedroom plus grouping there are 68 units offering four-bedroom units suitable for families.

APPROVED RENTAL & SUPPORTIVE
UNITS BY BEDROOM SIZE



RENT LEVELS

Under the Pilot phase of the AHP, rent levels were required to be at or below Canada Mortgage and Housing Corporation (CMHC) average market rent (AMR) for the region.

Under the New AHP, affordability was enhanced. The allowable rent level for a project average for AHP units (all bedroom sizes combined) was lowered to be equivalent to or below 80 per cent of CMHC average market rent.

In some cases where rent supplements are provided, average rent for a project is calculated using the actual rents paid by tenants after factoring in rent supplements. Other reasonable methods of achieving 80 per cent of CMHC average market rent for a project are considered on a case-by-case basis.

The provincial average market rent in 2007, including all apartment types (bachelor to three-bedroom +), was \$870. Approximately 5,000 approved AHP units have rents that are less than \$700 per month.

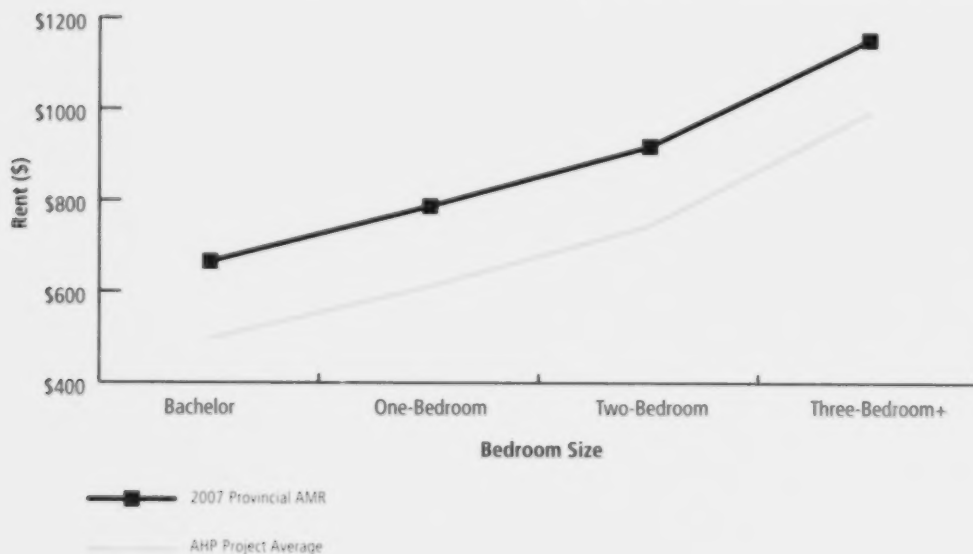
It is important to note that the AHP program is not designed to be rent-geared-to-income (RGI) housing, although some housing proponents may offer RGI units within a particular project, resulting in deeper affordability for the tenant.

Currently, the AHP average project rent level falls below the provincial average market rent in all bedroom categories. As a number of these projects fall under the Pilot phase parameters, project averages will likely reach deeper levels of affordability as the balance of AHP units are approved.

PERCENTAGE OF UNITS BY ESTIMATED RENT RANGE



COMPARISON BETWEEN 2007 PROVINCIAL AVERAGE MARKET RENT (AMR) AND AHP PROJECT AVERAGE BY BEDROOM SIZE

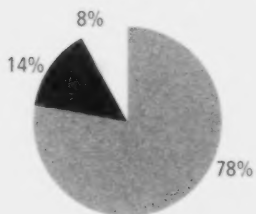


Bachelor & Congregate Units

Some AHP projects are designed to provide congregate units (tenants share common living areas). To date, there are 358 approved congregate units.

Bachelor & Congregate Units

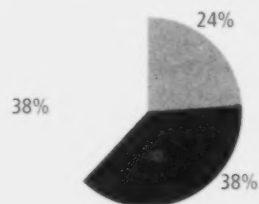
PERCENTAGE OF UNITS BY RENT RANGE - BACHELOR & CONGREGATE (1,047 UNITS)



0-\$500
\$501-\$700
\$701-\$1000

One-Bedroom Units

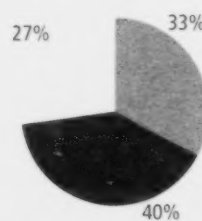
PERCENTAGE OF UNITS BY RENT RANGE - ONE-BEDROOM (5,113 UNITS)



0-\$500
\$501-\$700
\$701-\$1000

Two-Bedroom Units

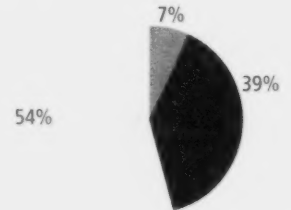
PERCENTAGE OF UNITS BY RENT RANGE - TWO-BEDROOM (2,421 UNITS)



0-\$700
\$701-\$1000
Over-\$1000

Three-Bedroom+ Units

PERCENTAGE OF UNITS BY RENT RANGE - THREE-BEDROOM+ (859 UNITS)



\$501-\$700
\$701-\$1000
Over-\$1000

RENT SUPPLEMENTS

AHP units are not rent-geared-to-income (RGI), but tenants in some AHP units may receive rent supplements either through the Strong Communities Rent Supplement Program (SCRSP), the Housing Allowance/Rent Supplement (HARS) component or other municipal programs to help lower their rent.

TARGETED UNITS

PRIORITY TENANTS

A significant number of projects allocate units to specific priority tenants. Under the AHP, priority is given, but not limited, to:

- Low-income seniors
- Victims of domestic violence
- Persons with mental illness
- Persons with disabilities
- Aboriginal peoples
- Recent immigrants
- The working poor.

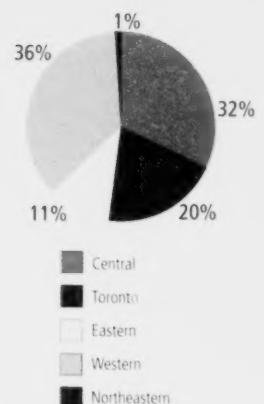
Of the 9,440 Rental and Supportive units, 3,874 (41 per cent) are committed to a particular priority group.

The Central Region has a large percentage of units dedicated to target tenant populations. Approximately 69 per cent (1,245 units) of all approved units in Central Region have identified priority tenant populations as primary residents. The Eastern Region currently has the lowest percentage of approved units (31 per cent of 1,415 units) devoted to priority tenants, representing 11 per cent of AHP targeted units provincially. A number of new AHP projects with supportive units are expected to be approved in the near future.

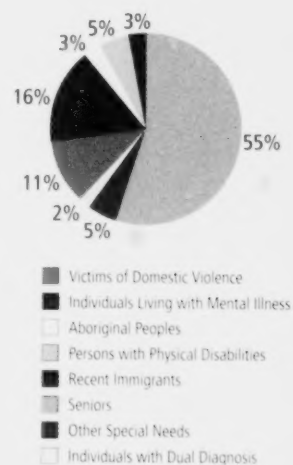
Across all regions, the percentage of units dedicated to seniors is the highest among the priority groups. Within the Central Region, the second highest percentage of targeted units have recent immigrants as priority tenants. In the Western Region, units for individuals living with mental illness represent the second highest percentage of targeted units. In the Eastern Region, units for individuals with other special needs represent the second highest percentage.

Several AHP projects have committed all units to a specific tenant population. One example is the St. Clare Multifamily project in the City of Toronto, which assigns its 26 units to individuals who are homeless or living in shelters and are receiving assistance from Ontario Works (OW) or the Ontario Disability Support Program (ODSP). Peel Youth Village, located in the Regional Municipality of Peel, has 48 units dedicated to youth. Peel Youth Village provides residential, recreational, and personal support to residents, including an on-site employment centre.

TARGETED UNITS BY
ONTARIO REGION



TARGETED UNITS BY
PRIORITY GROUP



SUPPORTIVE HOUSING

Under the New AHP, SMs are allocated a specific number of supportive units for tenants with specific needs, for a total of 1,200 units.

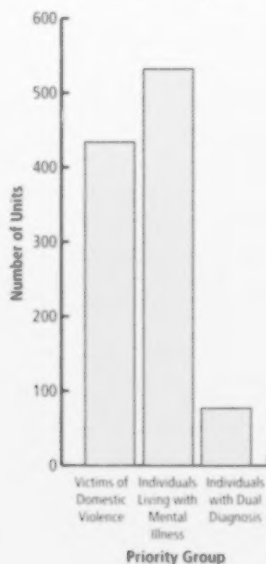
Currently, there are 1,043 units devoted to tenants receiving support services.

500 units are allocated to victims of domestic violence. To date, 434 units (87 per cent) of this target have been approved. 600 units are designated for individuals with mental illness. To date, 532 of these units have been approved by the province. 100 units are designated for individuals with dual-diagnosis (combined developmental disability and mental illness). As of July 31, 2008, 77 dual-diagnosis units have been approved in this target group.

To ensure that appropriate services are provided to tenants in these supportive units, SMs enter into agreements with community-based service organizations funded by the Ministry of Community and Social Services (MCSS) and the Ministry of Health and Long-Term Care (MHLTC). The number of service agencies participating in the program continues to increase each year.

Types of services vary between intensive, 24-hour access to support services such as personal care, to daytime health and community development programs. Youth-oriented services include life-skills and job training, and youth and child counselling.

NUMBER OF SUPPORTIVE UNITS
BY PRIORITY GROUP

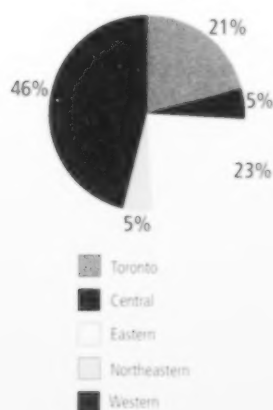


PHYSICALLY ACCESSIBLE UNITS

Currently there are 76 AHP projects with units accessible to people with physical disabilities. Of these, 923 units have been approved.

Several projects are specifically targeted to people with physical disabilities. Other projects are being constructed with universal design principles allowing for a barrier-free environment.

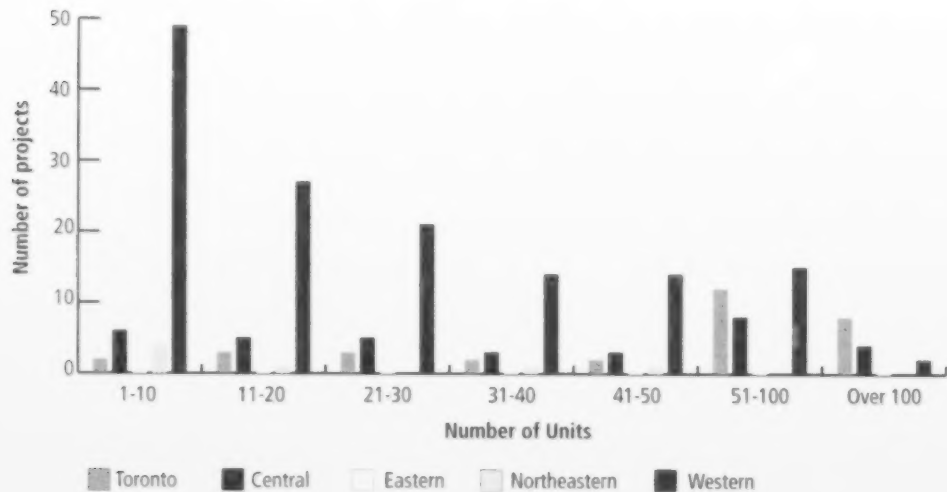
PERCENTAGE OF PHYSICALLY
ACCESSIBLE UNITS BY
ONTARIO REGION



The majority of AHP projects are under 100 units, and 77 projects have fewer than 10 units. 15 projects with over 100 units have been approved.

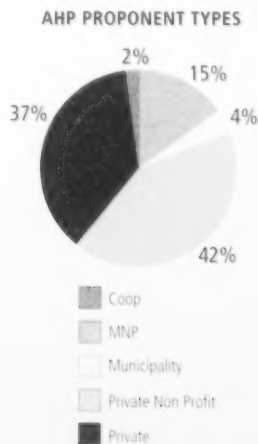
Almost all projects with unit counts of 100 or more are being developed within the Greater Toronto Area (GTA), with the exception of two projects in the Western Region and one in the East. Within the Western Region, the vast majority of projects have less than 30 units.

AHP RENTAL & SUPPORTIVE PROJECT SIZE BY ONTARIO REGION



PROponent TYPES

Most proponents of AHP projects are non-profit organizations. These include co-operatives (co-ops), municipal non-profits (MNP) or other forms of registered non-profit organizations (private non-profit). Four per cent of all proponent types are municipalities. More than a third of the remaining AHP projects are developed by private-sector companies.



PROPONENT TYPE BY PROJECT SIZE

Looking at various project sizes by proponent type shows that non-profit providers are most likely to pursue projects under 100 units, with the exception of one non-profit proponent in Toronto developing a 300-unit project — the largest project under the AHP. Private-sector developers have worked on projects of various sizes, from a two-unit project in Niagara to a 264-unit project in Toronto. Other projects involve partnerships between non-profit and private sector providers and developers.

NORTHERN COMPONENT

The Northern Component of the Canada-Ontario Affordable Housing Program (AHP) assists low and moderate income families by helping reverse the loss of affordable housing stock in Northern Ontario, and aiding in the revitalization of Ontario's Northern communities.

Tailored to address the unique housing challenges faced in Northern Ontario, this component provides funds to conduct health and safety repairs to homes in need. Where appropriate, funds may be used for the construction of new affordable housing.

The initial target for the Northern component was 1,500 units. Based on the success of its programs to date the total forecast increased to 1,566 units.

Northern Component	Target Units	Progress to Date		Residual Units	Total Forecast Units
		Units Approved	Balance of SM Allocation		
	1,500	968	598	0	1,566

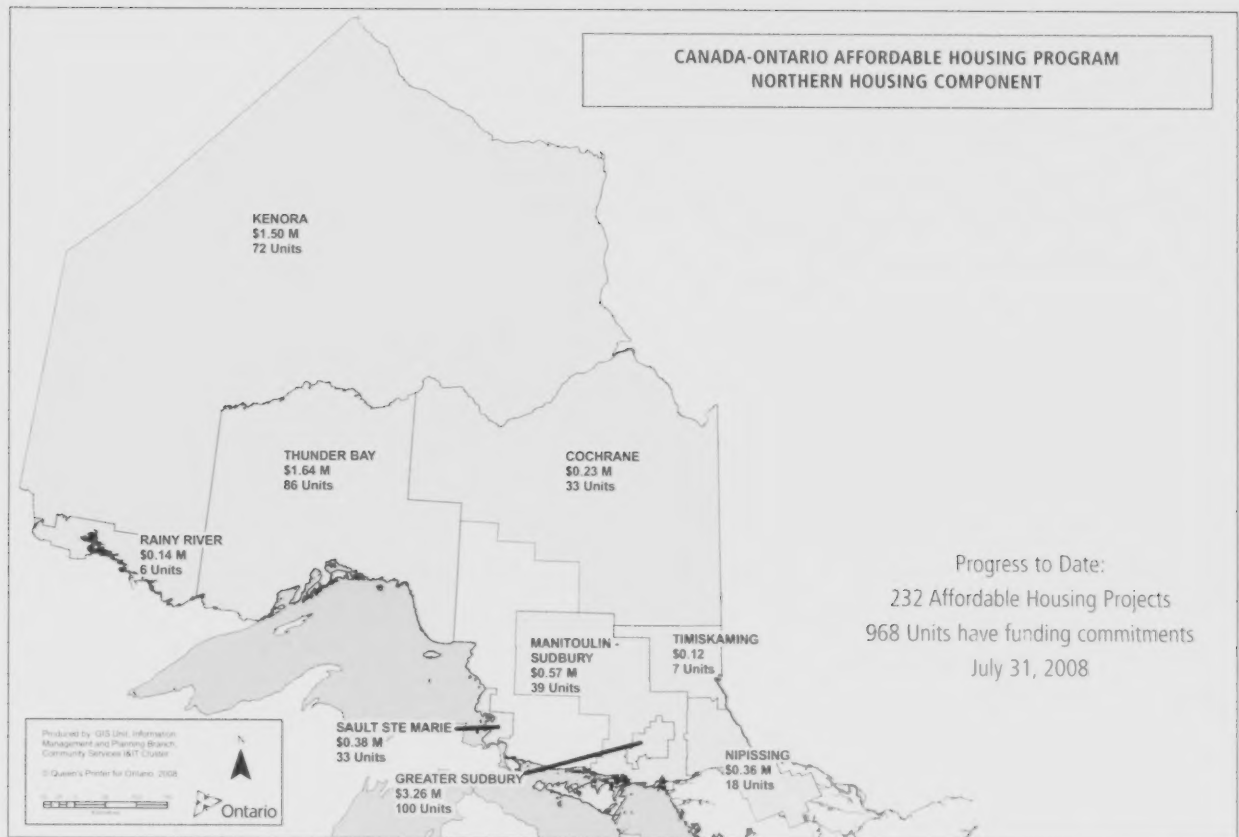
As of July 31, 2008, based on the 1,500 Northern unit target:

65 per cent (968 units) of the AHP Northern units have been approved

65 per cent (627 units) of the 968 approved units are completed and/or occupied

Total forecasted units have increased 4.4 per cent from the original target of 1,500.

Northern Service Managers can deliver the program through either the Complex or the Homeowner repair streams of the program.



In some areas, Service Managers have opted to focus on the development of new construction through the Complex stream of the program. This is primarily the case in areas with high growth and low vacancy rates, such as the District of Nipissing, the City of Greater Sudbury and the District of Cochrane.

The Ontario Northern Repair Program (ONRP) is a provincially-delivered program that provides funding for home repairs across the North. In partnership with Northern District Social Services Administration Boards (DSSABs), the ONRP provides funding to acquire and rehabilitate existing rental and homeownership housing stock, or to create new units where needed.

Success under the Northern Component of the AHP has been overwhelming. To date, health and safety repairs have been approved for nearly 1,000 individual homes across the North, with federal and provincial funding totalling over \$18 million.

HOMEOWNERSHIP COMPONENT

Under the Homeownership component of AHP, lower-income renters can apply for interest-free down-payment assistance loans to purchase a home.

The program objectives are:

- To facilitate homeownership opportunities for low and moderate income individuals or families.
- To ease the demand for rental housing by assisting renter households across the province to purchase affordable homes.
- To provide low and moderate income individuals and families with an opportunity to move up the socio-economic ladder through homeownership.

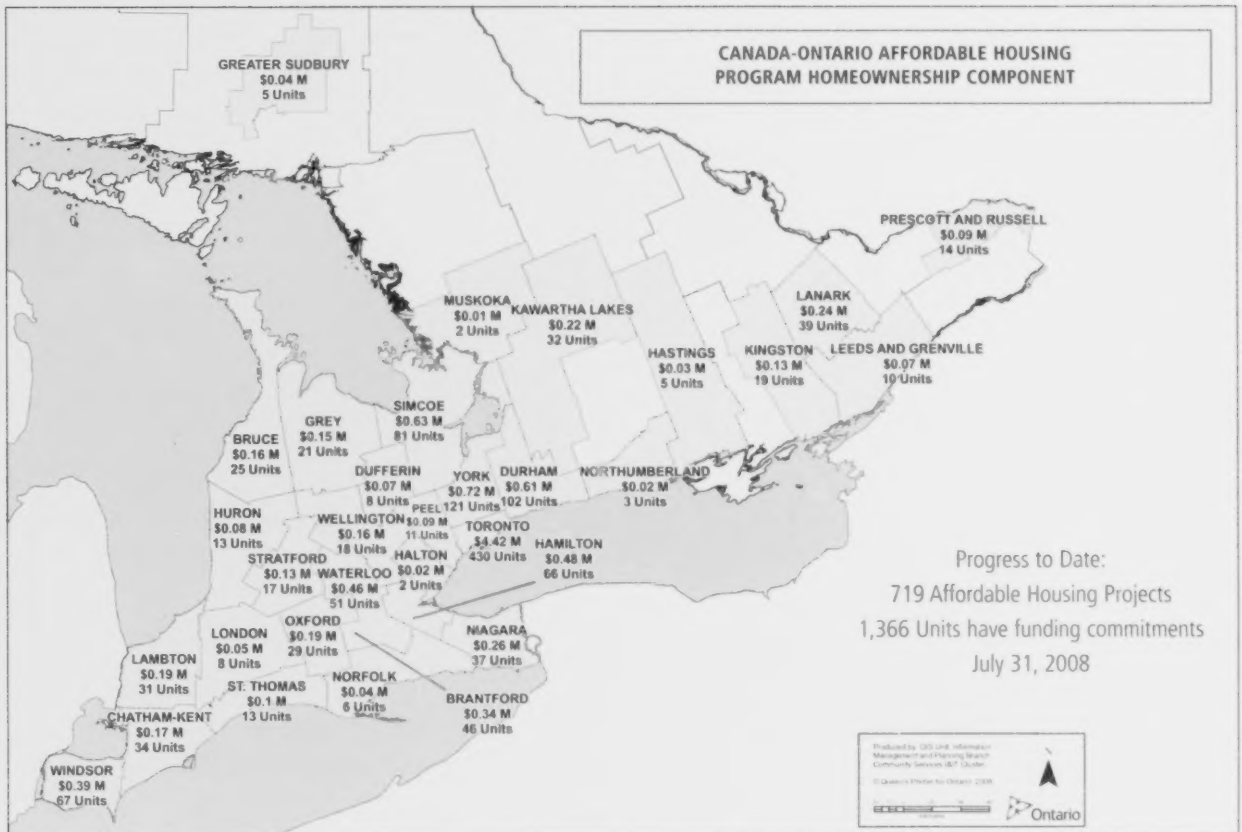
The AHP loan is for a period of 20 years. No interest is charged on the loan. Some municipalities offer down-payment assistance in partnership with local builders.

Homeownership	Target Units	Progress to Date		Reserve	Total Forecast Units
		Units Approved	Balance of SM Allocation		
	4,500	1,366	1,870	539	3,775

As of July 31, 2008, based on the 4,500 Homeownership unit target:

- 30 per cent (1,366 units) of the AHP Homeownership units have been approved
- 89 per cent (1,216 units) of the 1,366 approved units are completed/purchased or occupied.

In order to allow Service Managers to provide enhanced levels of assistance to lower income renter households, while ensuring the success of the program in areas where house prices are high, the homeownership forecast was reduced to 3,775 units.



HOUSING ALLOWANCE/RENT
SUPPLEMENT COMPONENT

The AHP Housing Allowance/ Rent Supplement (HARS) Program helps create affordable rental housing in rental markets with high vacancy.

A "housing allowance" is a supplement paid to the landlord on behalf of households in need of rental assistance. It is intended to offset the difference between the rent a household can afford to pay and the actual market rent.

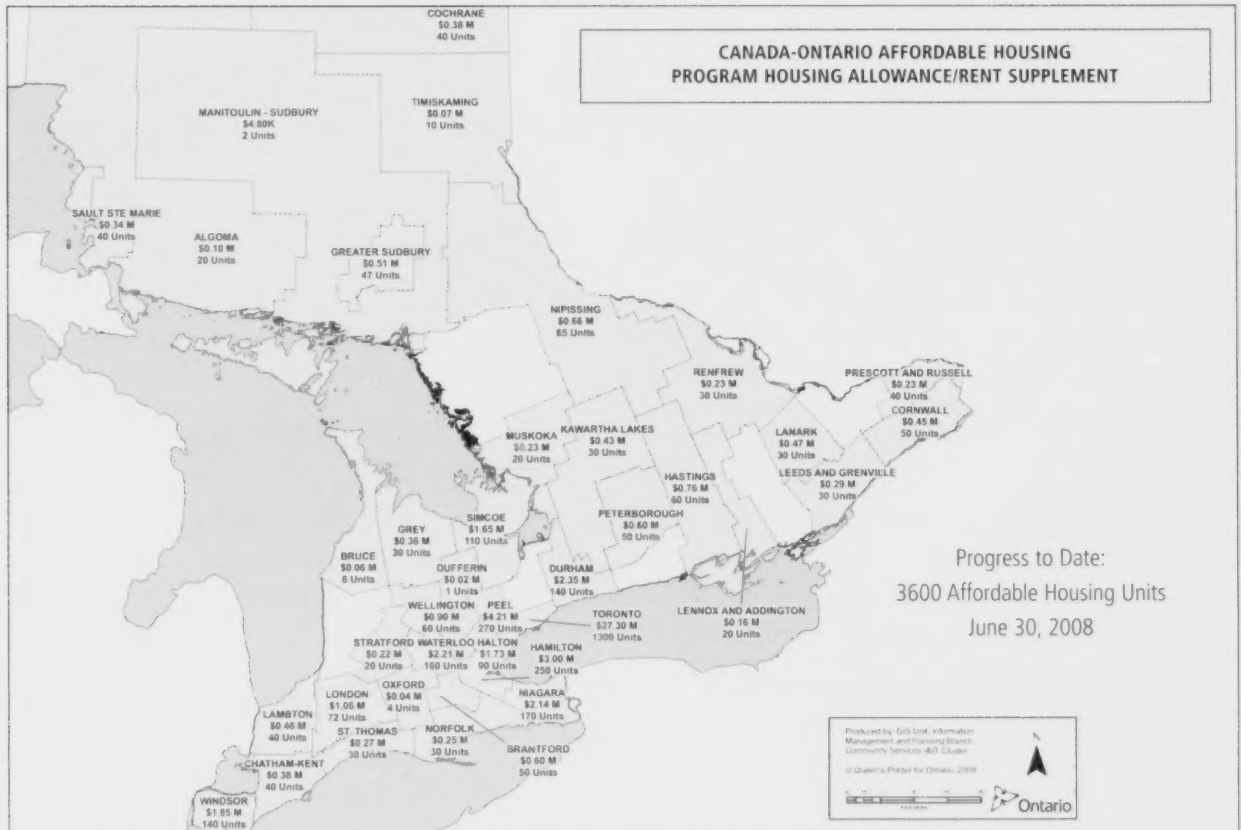
As of June 30, 2008, based on the 3,607 HARS unit target:

- 106 per cent (3,808 units) of the AHP HARS units have signed landlord agreements
- 87 per cent (3,152 units) of the 3,607 units are occupied.

Housing Allowances (Post-Conversion)	Target Units	Progress to Date		Residual Units	Total Forecast Units
		Units Allocated	Balance of SM Allocation		
	3,607	3,607	0	0	3,808

The Program dedicates 500 units (10 per cent of each Service Manager's total allocation) to victims of domestic violence (VDV). Where a Service Manager's allocation is less than 10 units, one unit must be set aside for a VDV client. Service Managers must fulfil their targets through household referrals from Ministry of Community and Social Services (MCSS) designated agencies assisting VDV clients.

The Program strongly encourages Service Managers to set aside units for Ontario Works (OW) and Ontario Disability Support Program (ODSP) clients. There are distinct advantages that result when the allowance is combined with the shelter component of OW/ODSP to achieve deeper subsidies for higher need households.



In addition, Service Managers are encouraged to give some priority to Aboriginal peoples, recent immigrants, persons with disabilities, persons with mental illness, low-income seniors and the working poor.

As per the mandatory requirements, units must be self-contained and monthly unit rents must not exceed Canada Mortgage and Housing Corporation (CMHC) average market rents for the area. In-situ arrangements are not eligible. This means that applicants cannot be funded in their current units. Units must also be modest and in satisfactory state of repair.

The allocation of housing allowances to each Service Manager is determined by the proportion of "core need" renter households in each Service Manager's area. "Core need" renter households are those that are spending 35 per cent or more of their gross household income on rent and/or are residing in unsuitable/unaffordable/inadequate housing.

In June 2007, several Service Managers opted to convert all or a portion of their Housing Allowance/Rent Supplement (HARS) allocations. After their business cases were approved by the Ministry, funding of about \$23 million for approximately 1,300 HARS units was 'converted' to the capital components of the AHP, namely Rental and Supportive. As a result, by the beginning of 2008, the number of units under the HARS program is 3,607 of the original 5,000 units. However, Service Managers are still required to deliver their 10 per cent funding allocation for units for victims of domestic violence.

CONCLUSION

Across Ontario, significant progress has been made with the Housing Allowance/Rent Supplement component of the AHP. There are now thousands of Ontario citizens receiving rent supplements. The Homeownership and Northern components are also progressing steadily and continue to improve the housing conditions for a considerable number of people.

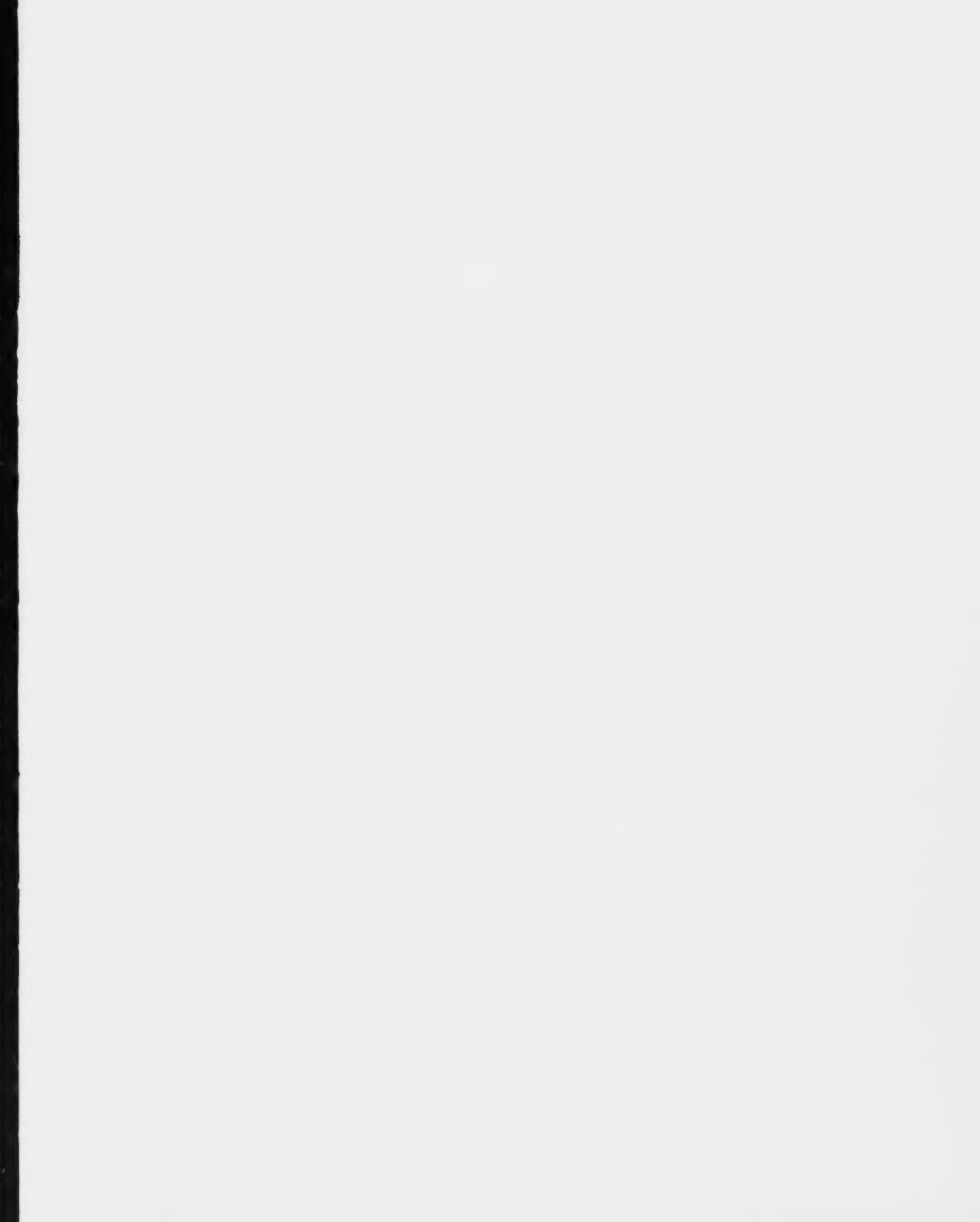
All Service Managers have advanced in the development of new affordable housing. The majority of the projects approved in the Pilot phase are now complete and occupied.

As of summer 2008, all participating Service Managers concluded project selection and the planning approval phase for the majority of projects was completed. The majority of Service Managers have fully committed their allocations.

Service Managers have already exceeded the 9,000 unit Rental and Supportive target and forecasts indicate that Service Managers are on track to create 10,099 Rental and Supportive units.

A significant number of projects contain designated units for priority tenants. Under the current AHP, supportive unit targets have been allocated to all southern Service Manager regions. In areas with approved projects, these targets are being achieved. In all areas, there are successful and innovative partnerships between the province, municipalities, non-profit organizations acting as housing proponents and/or support organizations for AHP tenants.

The province is very pleased with the success to date and the accomplishments of all Service Managers, housing proponents and partners who continue to strive towards offering more affordable housing for residents in Ontario.



For further information about this report, please contact the Housing Programs Branch at 416-585-6468.

www.mah.gov.on.ca

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